

HOUSE BILL 927

By Butt

AN ACT to amend Tennessee Code Annotated, Title 67, Chapter 4, Part 20 and Title 67, Chapter 4, Part 21, relative to franchise and excise taxes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 67-4-2012(a), is amended by adding the following as a new subdivision:

(3) Except as otherwise provided in this part and notwithstanding subdivision (a)(2), for tax years beginning on or after July 1, 2017, all net earnings of a taxpayer that qualifies as a small business, as defined in § 8-4-701, shall be apportioned to this state by multiplying the earnings by the receipts factor.

SECTION 2. Tennessee Code Annotated, Section 67-4-2111(a), is amended by adding the following as a new subdivision:

(3) Except as otherwise provided in this part and notwithstanding subdivision (a)(2), for tax years beginning on or after July 1, 2017, the net worth of a taxpayer doing business both in and outside this state that qualifies as a small business, as defined in § 8-4-701, shall be apportioned to this state by multiplying such values by the receipts factor.

SECTION 3. This act shall take effect upon becoming a law, the public welfare requiring it.